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CONFIDENTIAL CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 18 April 1955

TO:

Deputy Director (Intelligence)

SUBJECT: Purge of Hungarian Leadership

The expulsion of Premier Imre Nagy and Mihaly Farkas from their top party and government posts confirms the seriousness of the split in the Hungarian Workers' Party leadership. elimination of these two top-level party leaders may well be the beginning of an extensive purge of "right-wing" elements by Party First Secretary Matyas Rakosi, since it is unlikely that the expulsion of the two men will be sufficient to heal the deep break that has developed within the party.

Although Rakosi has the public support of the Kremlin, the six-week delay between the publication of the original attack on Nagy and his expulsion confirms reports that he had considerable difficulty in cotting

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	action against the "rightist deviation" within the party.
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25X1	The publication on 14 April of first quarter production plan figures showing unusually successful fulfillment of the plan probably marks an attempt by Rakosi to "prove" the practicability of his policy.

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The possibility that Farkas would share Nagy's fate was first proposed by the American legation in Budapest. who reported that Rakosi attacked Farkas at a secret central committee meeting on 23 March for "going too far in his support of Nagy's policies and swinging back too late and with too little zeal." The French army attache in Budapest reported a seemingly

DIA review

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secret meeting between Farkas and about 20 Hungarian army generals in the countryside near Budapest on 23 March. It now appears possible that Farkas, who was minister of defense until June 1953, was attempting to rally army support against Rakosi. It is improbable that the army would back any attempt to oppose the effective party leaders, because of the impracticability of such opposition in the face of Soviet military occupation.

The new premier, Andras Hegedus, has been first deputy premier since July 1953 and acting premier in recent weeks. He has been closely connected with agriculture since 1951 and has co-ordinated the regime's agricultural policy since October 1954. Like Nagy, he is of peasant origin, but unlike Nagy he has spent no extended periods in the USSR. He is believed to be only 32 years old, and in 1947 was a leader of the youth movement. He has been a member of the party central committee since 1949, and was elected to the politburo in 1951. He led the Hungarian delegation to the Moscow Conference in December 1954.

Istvan Kovacs, who was made a member of the politburo by the central committee on 14 April, had been removed from this post in June 1953, at the same time that the new course was announced. He has since been leader of the Budapest party organization. In his recent speeches he has appeared to take a markedly liberal view and his promotion at this time may be a sop to gain the support of some of the liberal element in the party.

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